

AMENDED IN ASSEMBLY JULY 12, 2005

AMENDED IN ASSEMBLY JUNE 30, 2005

**SENATE BILL**

**No. 1105**

**Introduced by Senator Speier**  
(Coauthor: Assembly Member Vargas)

March 1, 2005

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An act to add Section 10111.7 to the Insurance Code, relating to life insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1105, as amended, Speier. Life insurance: travel.

Existing law generally regulates life insurance.

This bill would prohibit an insurer from taking specified actions relating to issuing, renewing, or rating a life insurance policy based *solely* upon the applicant's or insured's past or future lawful travel destinations. The bill would allow an insurer to exclude or limit coverage ~~of specific, or refuse to issue a policy, based upon~~ lawful travel, or charge a different rate, when ~~bona fide statistical differences in risk or exposure have been substantiated that action is based upon sound actuarial principles or is related to actual and reasonably expected experience.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 10111.7 is added to the Insurance Code,
- 2 to read:
- 3 10111.7. (a) An insurer shall not deny or refuse to accept an
- 4 application for life insurance, or refuse to insure, refuse to renew,

1 cancel, restrict, or otherwise terminate a policy of life insurance,  
2 or charge a different rate for the same life insurance coverage,  
3 based *solely* upon the applicant's or insured's past or future  
4 lawful travel destinations.

5 (b) Nothing in this section shall prohibit an insurer from  
6 ~~excluding or limiting coverage of specific lawful travel under a~~  
7 ~~life insurance policy, or charging a different rate for that~~  
8 ~~coverage, when bona fide statistical differences in risk or~~  
9 ~~exposure have been substantiated.~~ *excluding or limiting coverage*  
10 *under a life insurance policy, or refusing to offer life insurance,*  
11 *based upon lawful travel, or from charging a different rate for*  
12 *that coverage, when that action is based upon sound actuarial*  
13 *principles or is related to actual and reasonably expected*  
14 *experience.*

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17 **All matter omitted in this version of the bill**  
18 **appears in the bill as introduced in Senate,**  
19 **March 1, 2005.**  
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